

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
OF FARMDALE WATER DISTRICT)	2005-00128

O R D E R

On March 29, 2005, Farmdale Water District ("Farmdale") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.012 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Farmdale purchases water from the Frankfort Electric and Water Plant Board ("Frankfort").
2. Frankfort notified Farmdale that, effective with Frankfort's March 19, 2005 billing, Frankfort's wholesale water rate to Farmdale would increase from \$1.418 per 1,000 gallons to \$1.539 per 1,000 gallons. Farmdale proposes to increase the water rates to its customers effective on and after March 19, 2005.
3. During the 12 months ending December 31, 2004, Farmdale purchased 211,018,000 gallons of water from Frankfort and sold 180,787,000 gallons. The increase in the cost of purchased water is \$25,533 resulting in a purchased water adjustment of \$0.14 per 1,000 gallons.
4. The purchased water adjustment of \$0.14 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. Farmdale's proposed rates are approved.
2. The purchased water adjustment of \$0.14 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after March 19, 2005.
3. Within 20 days of the date of this Order, Farmdale shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 21st day of April, 2005.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2005-00128 DATED April, 21, 2005

The following rates and charges are prescribed for the customers in the area served by Farmdale Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Domestic Consumers (Other than trailer courts):

5/8" X 3/4" Meter

First	2,000	gallons	\$8.46 Minimum Bill
Next	3,000	gallons	2.73 per 1,000 gallons
Next	5,000	gallons	2.23 per 1,000 gallons
Over	10,000	gallons	2.03 per 1,000 gallons

1" Meter

First	7,000	gallons	\$21.11 Minimum Bill
Next	3,000	gallons	2.23 per 1,000 gallons
Next	140,000	gallons	2.03 per 1,000 gallons
Over	150,000	gallons	1.78 per 1,000 gallons

Commercial Consumers (Stewart Home):

First	7,000	gallons	\$21.11 Minimum Bill
Next	3,000	gallons	2.23 per 1,000 gallons
Next	140,000	gallons	2.03 per 1,000 gallons
Over	150,000	gallons	1.78 per 1,000 gallons

PURCHASED WATER ADJUSTMENT CLAUSE

Upon increase or decrease in wholesale rate of purchased water by its suppliers, the utility may apply for an adjustment to its water rates in accordance with 807 KAR 5:067. The base rate for future application of the purchased water adjustment clause is:

SUPPLIER

Frankfort Electric & Water Plant Board	\$1.589 per 1,000 gallons*
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*Included \$.05 Kentucky River Water Usage Agreement.